



Massachusetts Teachers' Retirement Board

BOSTON OFFICE

69 Canal Street
Boston, MA
02114-2006

617-727-3661
FAX: 617-727-6797

SPRINGFIELD OFFICE

101 Main Street
Suite 210
Springfield, MA
01103-2066

413-784-1711
FAX: 413-784-1707

mass.gov/mtrb

EMPLOYER REPORTING
617-878-2895
FAX: 617-727-4443
empsup@trb.state.ma.us

RICHARD PROBERT
Director,
Employer Reporting
617-878-2878

LISA M. MALONEY, ESQ.
Director,
Educational Services
617-878-2811



MTRB Employer Bulletin

Number 3 ■ July 2003

Long-range payment plans found to be too problematic— R+ accelerated payment plans now limited to one year in length

The MTRB has made a slight change in our policy regarding payroll reduction "accelerated payment" plans. **Starting immediately, we will no longer accept payment plans that exceed 12 months.** We have discovered that the error ratio for these extended plans is too high to administer efficiently. Unsettled contracts, salary increases or decreases, and changes in our members' retirement plans are resulting in erroneous cost calculations. These errors increase your work, our work, and cause inconvenience to the members due to over- or under-payments. Reconciliation of these extended plans is causing retirement processing backlogs and a high degree of anxiety for all parties.

Currently, the accelerated payment tool for all members retiring on or before June 30, 2004 is available as usual. In July 2003, we will activate the tool for members retiring during the 2004–2005 school year. The tool will limit the length of the plan to 12 months from its inception. For example: An employee wishing to retire on December 31, 2004 will be able to commence accelerated payments on January 1, 2004. You may set the plan up earlier (say, November) for the January start date, but the accelerated payment schedule cannot exceed 12 months.

■ Salary schedules and contracts must now be submitted WITH the R+ accelerated payment application

We will also be asking that salary schedules, supporting contractual language, and individual administrator contracts be submitted along with the signed accelerated payment plan agreements. This will allow us to review the accuracy of the plans much earlier and recognize potential errors before they become too problematic.

■ Reminder: Once begun, R+ payment plans cannot be stopped or decreased

Please remember that once an accelerated payment plan is signed and in effect, payments cannot be stopped or decreased. The MTRB has a Private Letter Ruling from the Internal Revenue Service that allows Retirement-Plus accelerated payments to be treated as pre-tax payments. Stopping a plan or reducing the payment amount jeopardizes our tax status with the Internal Revenue Service, and we will **not** retire any member whose accelerated payment plan is stopped or reduced prior to its completion. The only grounds for stopping an accelerated payment plan is the termination or death of the member.

If you have any questions or concerns, please don't hesitate to contact either our Employer Reporting unit at 617-878-2895 or our Member Services unit at 617-878-2890. ■

RE M I N D E R

Keep your teachers' salary information up to date

Remember that it is necessary to enter updated annual salary figures for teachers and administrators who are receiving a pay raise in fiscal year 2004. The new amounts must be included in the deduction report for the period when the raise takes effect.

If a school district submits a deduction report for a teacher that includes a pay increase without entering the new annual contract salary amount, it appears as an error in the MTRB data processing system even if the reported earnings and contributions are correct. The annual salary information that you transmit is used in the calculation of benefits and as a validation factor to verify the accuracy of other elements in the deduction report. ■

RE MINDER: Be sure to register to attend an MTRB employer program this summer

Mark your calendar and register online at mass.gov/mtrb/4emp/41ann.htm by the deadline!

Location	Date	Facility	Register online by
<input type="checkbox"/> Bridgewater	Thursday, July 24	Bridgewater State College, Rondileau Campus Center	July 14
<input type="checkbox"/> Falmouth	Tuesday, July 29	Holiday Inn	July 19
<input type="checkbox"/> Salem	Wednesday, August 6	Salem State College, Library—Charlotte Forten Hall	July 25
<input type="checkbox"/> Shrewsbury	Thursday, August 7	Hoagland-Pincus Conference Center, UMass Medical School	July 28
<input type="checkbox"/> Wellesley Hills	Friday, August 8	Mass Bay Community College, Auditorium	July 29
<input type="checkbox"/> Westfield	Tuesday, August 12	Westfield State College, Scanlon Banquet Hall	August 2
<input type="checkbox"/> Pittsfield	Wednesday, August 13	Crowne Plaza	August 3

eRetirement update—

Please begin to plan for the assignment of the various eRetirement roles for your district

The MTRB is continuing the design and development of our new web-based information technology system—eRetirement—that will enable us to meet the extraordinary service demands of the retiring baby boomers.

Upon the implementation of eRetirement, all of our employer reporting units—school districts, collaboratives and charter schools—will submit their monthly retirement deduction reports via the secure web application. The eRetirement system will process your reports, provide you with a status message via e-mail, and provide a secure web application for any error correction that may be necessary.

Employer reporting in the eRetirement system will be based on the various roles at the district level (see table below). Please begin to plan for the designation of the roles in your system.

You most likely already have one or more individuals assigned to each of the listed tasks. You will continue to have the flexibility to assign multiple tasks to the same individual, and to assign more than one individual to a particular task. Each authorized local official, whether an employee of the school system, or the city or town, will have his or her own unique user identification and password.

We encourage you to begin to identify the district-based staff who will perform the tasks listed below, and make sure that as many of them as possible attend our summer employer programs. Training will be a critical factor in the success of the eRetirement system, so please go online and **register today** for the program nearest you—see above for dates and locations! ■

eRetirement role	Responsibilities
■ Superintendent/Director	<input type="checkbox"/> Designates the MTRS Liaison
■ MTRS Liaison	<input type="checkbox"/> Assigns unique login ID and password to each local official who is authorized to perform MTRS-related roles <input type="checkbox"/> Adds and deletes local officials whenever there is a personnel change in the authorized role
■ Deduction Report File Submitter	<input type="checkbox"/> The local official who will submit the deduction report and the accompanying check
■ Deduction Report File Corrector	<input type="checkbox"/> The local official who will respond to all error reports and make the necessary corrections
■ Enrollment Validator	<input type="checkbox"/> The local official who will complete our requests to verify the enrollment of new employees who have completed our online enrollment application
■ Service & Salary Verifier	<input type="checkbox"/> The local official who will complete our online service and salary verification forms
■ Member Employment Status Updater	<input type="checkbox"/> The local official who will notify the MTRS of changes in employees' employment status such as leaves of absence, termination, or other actions that affect a member's retirement benefits